

110TH CONGRESS  
1ST SESSION

# S. 1403

To amend the Farm Security and Rural Investment Act of 2002 to provide incentives for the production of bioenergy crops.

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## IN THE SENATE OF THE UNITED STATES

MAY 15, 2007

Ms. KLOBUCHAR (for herself, Mr. HARKIN, Mr. CONRAD, and Mr. DURBIN) introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

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## A BILL

To amend the Farm Security and Rural Investment Act of 2002 to provide incentives for the production of bioenergy crops.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

### 3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Farm-to-Fuel Invest-  
5 ment Act of 2007”.

### 6 **SEC. 2. BIOENERGY TRANSITION ASSISTANCE.**

7 (a) DEFINITIONS.—Section 9003(b) of the Farm Se-  
8 curity and Rural Investment Act of 2002 (7 U.S.C.  
9 8103(b)) is amended—

1 (1) by redesignating paragraphs (2) through  
 2 (4) as paragraphs (5) through (7), respectively; and  
 3 (2) by inserting after paragraph (1) the fol-  
 4 lowing:

5 “(2) BIOENERGY CROP.—

6 “(A) IN GENERAL.—The term ‘bioenergy  
 7 crop’ means—

8 “(i) a perennial plant that can be  
 9 used as feedstock for bioenergy production;  
 10 or

11 “(ii) an annual plant that—

12 “(I) can be used as feedstock for  
 13 bioenergy production; and

14 “(II) is grown in a resource-con-  
 15 serving crop rotation.

16 “(B) EXCLUSIONS.—The term ‘bioenergy  
 17 crop’ does not include—

18 “(i) any crop that is eligible for any  
 19 payments under title I; or

20 “(ii) any plant that—

21 “(I) the Secretary determines to  
 22 be invasive or noxious; or

23 “(II) has the potential to become  
 24 invasive or noxious, as determined by  
 25 the Secretary, in consultation with the

1 United States Fish and Wildlife Serv-  
 2 ice or a State conservation agency.

3 “(3) BIOENERGY CROPSHED.—The term ‘bio-  
 4 energy cropshed’ means a bioenergy cropshed des-  
 5 ignated by the Secretary under subsection (g)(1).

6 “(4) BIOENERGY PRODUCER.—The term ‘bio-  
 7 energy producer’ means a producer that produces a  
 8 bioenergy crop that, as determined by the Sec-  
 9 retary—

10 “(A) is physically located in a bioenergy  
 11 cropshed; and

12 “(B) can be used by the local biorefinery.”.

13 (b) BIOENERGY TRANSITION ASSISTANCE.—Section  
 14 9003 of the Farm Security and Rural Investment Act of  
 15 2002 (7 U.S.C. 8103) is amended—

16 (1) by redesignating subsections (g) and (h) as  
 17 subsections (h) and (i), respectively; and

18 (2) by inserting after subsection (f) the fol-  
 19 lowing:

20 “(g) BIOENERGY TRANSITION ASSISTANCE.—

21 “(1) DESIGNATION OF BIOENERGY  
 22 CROPSHEDS.—

23 “(A) IN GENERAL.—The Secretary shall  
 24 designate as bioenergy cropsheds, areas that

are physically located within, as determined by the Secretary—

“(i) a 50-mile radius of an existing or planned biorefinery; or

“(ii) some other economically-practicable distance from an existing or planned biorefinery.

“(B) SPECIFIC CONSERVATION OBJECTIVES.—Each bioenergy cropshed designated under subparagraph (A) shall include specific conservation objectives for local resources of concern, including water quality, wildlife habitat, soil quality, and air quality, as determined by the Secretary, acting through the Natural Resources Conservation Service and in consultation with State technical committees.

“(C) PRIORITY.—In designating bioenergy cropsheds under subparagraph (A), the Secretary shall give priority to—

“(i) locations in which the establishment of bioenergy cropsheds is most likely, as determined by the Secretary, to result in—

“(I) geographic diversity;

“(II) diversity of feedstocks;

1 “(III) net environmental benefit;

2 and

3 “(IV) minimal environmental

4 harm; and

5 “(ii) areas in which the existing or

6 planned biorefinery is owned primarily by

7 residents of a rural area.

8 “(2) BIOENERGY CROP TRANSITION ASSIST-

9 ANCE.—

10 “(A) IN GENERAL.—The Secretary, acting

11 through the Natural Resources Conservation

12 Service, shall offer to enter into contracts with

13 producers on a farm in a bioenergy cropshed to

14 provide bioenergy crop transition assistance to

15 encourage the producers to produce bioenergy

16 crops for a biorefinery located in the bioenergy

17 cropshed.

18 “(B) TERM OF CONTRACT.—Contracts de-

19 scribed in subparagraph (A) shall be for a term

20 of 3 years.

21 “(3) ELIGIBILITY.—

22 “(A) IN GENERAL.—As a condition of en-

23 tering into a bioenergy crop transition assist-

24 ance contract, the producers on a farm shall, as

25 determined by the Secretary—

1 “(i) demonstrate that the producers  
2 are producing a bioenergy crop that is con-  
3 tracted for use by the biorefinery in the  
4 bioenergy cropshed;

5 “(ii) agree to meet the quality criteria  
6 for water quality, wildlife habitat, and soil  
7 quality by the end of the contract period;  
8 and

9 “(iii) agree to make available to the  
10 Secretary (or to an institution of higher  
11 education designated by the Secretary)  
12 such information as the Secretary con-  
13 siders to be appropriate—

14 “(I) to promote the production of  
15 bioenergy crops and the development  
16 of biorefinery technology; and

17 “(II) to evaluate the bioenergy  
18 transition assistance.

19 “(B) BEST PRACTICES DATABASE.—Sub-  
20 ject to section 1770 of the Food Security Act  
21 of 1985 (7 U.S.C. 2276), the Secretary shall  
22 make available to the public in a database for-  
23 mat the best practices information developed by  
24 the Secretary in providing bioenergy transition  
25 assistance.

1           “(4) AMOUNT OF PAYMENTS.—In determining  
 2           the amount of annual bioenergy crop transition as-  
 3           sistance to be paid to producers on a farm under  
 4           this subsection, the Secretary shall consider—

5                   “(A) the cost of establishing the bioenergy  
 6           crop;

7                   “(B) the amount necessary to encourage  
 8           producers on a farm to produce bioenergy crops  
 9           in the quantity needed by the biorefinery in the  
 10          bioenergy cropshed;

11                  “(C) the amount that the producers on a  
 12          farm would have earned if the producers had  
 13          produced a crop other than a bioenergy crop;  
 14          and

15                  “(D) such other factors as the Secretary  
 16          considers to be appropriate.

17           “(5) FUNDING.—Of the funds of the Com-  
 18          modity Credit Corporation, the Secretary shall use  
 19          to carry out this subsection \$350,000,000 for the  
 20          period of fiscal years 2008 through 2012, to remain  
 21          available until expended.”.

22          (c) CONFORMING AMENDMENTS.—Section 1770(d)  
 23          of the Food Security Act of 1985 (7 U.S.C. 2276(d)) is  
 24          amended—

1 (1) in paragraph (11), by striking “or” at the  
2 end;

3 (2) in paragraph (12), by striking the period at  
4 the end and inserting “; or”; and

5 (3) by adding at the end the following:

6 “(13) section 9003(g) of the Farm Security and  
7 Rural Investment of 2002 (7 U.S.C. 8103(g))”.

8 **SEC. 3. CONSERVATION SECURITY PROGRAM.**

9 (a) **DEFINITION OF BIOENERGY CROPS.**—Section  
10 1238 of the Food Security Act of 1985 (16 U.S.C. 3838)  
11 is amended—

12 (1) by redesignating paragraphs (3) through  
13 (15) as paragraphs (5) through (17), respectively;  
14 and

15 (2) by inserting after paragraph (2) the fol-  
16 lowing:

17 “(3) **BIOENERGY CROP.**—The term ‘bioenergy  
18 crop’ has the meaning given the term in section  
19 9003(b) of the Farm Security and Rural Investment  
20 of 2002 (7 U.S.C. 8103(b)).

21 “(4) **BIOENERGY PRODUCER.**—The term ‘bio-  
22 energy producer’ has the meaning given the term in  
23 section 9003(b) of the Farm Security and Rural In-  
24 vestment of 2002 (7 U.S.C. 8103(b)).”.



1       (b) CONSERVATION SECURITY CONTRACTS.—Section  
2 1238C(b)(1)(C)(iii) of the Food Security Act of 1985 (16  
3 U.S.C. 3838c(b)(1)(C)(iii)) is amended—

4           (1) in subclause (IV), by striking “or” at the  
5 end;

6           (2) in subclause (V), by striking the period at  
7 the end and inserting a semicolon; and

8           (3) by adding at the end the following:

9                       “(VI) is a bioenergy producer  
10                      and maintains and actively manages a  
11                      conservation system that incorporates  
12                      2 or more native perennial bioenergy  
13                      crop species; or

14                     “(VII) is a bioenergy producer  
15                     and participates in a bioenergy crop  
16                     system research and demonstration  
17                     project.”.

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